

MINUTE ITEM

15. REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, P.R.C. 1466.1, RICHFIELD OIL CORPORATION, RINCON FIELD, VENTURA COUNTY - W.O. 3812.

Following presentation of Calendar Item 27 attached, Commission Anderson raised a question about the length of time for which deferment was being requested. Mr. K. M. Cook appeared on behalf of the Richfield Oil Corporation and explained that the purpose of the deferment was to allow sufficient time for development of the new techniques to be used for ocean-floor completions which may require more time between wells.

UPON MOTION MADE BY COMMISSIONER ANDERSON, DULY SECONDED, AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO GRANT TO RICHFIELD OIL CORPORATION A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 1466.1 TO JUNE 30, 1961, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.

Attachment

Calendar Item 27 (1 page)

CALENDAR ITEM

27.

REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, P.R.C. 1466.1, RICHFIELD OIL CORPORATION, RINCON FIELD, VENTURA COUNTY - W.O. 3812.

State Oil and Gas Lease P.R.C. 1466.1 was issued on August 29, 1955, to the Richfield Oil Corporation, pursuant to competitive public bidding in accordance with Division 6 of the Public Resources Code, covering approximately 1,175 acres of tide and submerged lands in the Rincon Field, Ventura County. The subject lease was amended in accordance with the provisions of Section 6873 of the Public Resources Code, as approved by the Commission on May 13, 1958 (Minute Item 6, page 4014), in order to permit the lessee to take advantage of the more flexible development and operating conditions specified.

Preliminary exploration on the leased land disclosed that the oil-bearing sands found on this property were too shallow to be properly developed from upland drillsites. In order to provide an offshore drillsite, Richfield constructed an earth-fill island at a cost in excess of \$4,000,000. Upon completion of the island, drilling operations were commenced on the leased land. To date 46 producing oil wells have been drilled from this island. It appears that the wells heretofore drilled can drain all of that portion of the producing structure adequately that can be developed economically from the island drillsite.

The Richfield Oil Corporation has submitted an application requesting a deferment of lease drilling requirements until October 25, 1962, in order to conduct studies to determine the feasibility of drilling additional wells into the leased land from other locations. Upon determination that further drilling is justified, such operations will be resumed as soon as possible.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO GRANT TO RICHFIELD OIL CORPORATION A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 1466.1 TO OCTOBER 25, 1962, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.